

Children and Families First Commission
Personnel and Finance Committee

Meeting Summary

February 19, 2002 @ 10:00 a.m.
1150 S. Bascom Ave., Suite 12, San Jose, CA

1. Call to Order/Roll Call

- Meeting called to order at 10:15 a.m.
- Commissioners Ferrer, Ruby, and Sillen were present.

2. Public Comment

- There were no public comments.

3. Approve Minutes – December 5, 2001

- On motion of Commissioner Ruby, seconded by Commissioner Sillen, it is ordered that the minutes be approved.

Chairperson Ferrer, requested that the agenda be taken out of order.

4. Review Financial Statements

- Mr. Oda references the Financial Statements as of December 31, 2001 and provides an overview of the December 31, 2001 Balance Sheet, and the Income and Expenses Statement for the period ended December 31, 2001.
- Commissioner Sillen requests that projections through the end of the fiscal year be provided. Mr. Oda indicates that the budget process will incorporate year-end projections, which will be presented to the Committee.
- Mr. Oda also presented an Income and Expense Statement that identifies administrative and program expenditures. Chairperson Ferrer indicates the need to conduct time studies to more accurately determine time spent in administrative and program functions.
- Discussions ensued relating to the evaluation expenses. It is agreed to breakout and identify the expense by a separate line item.

5. Discuss Lease Expansion

- Mr. Oda presented the background and financial impact for authorizing staff to contract with a space planner.

- Discussion ensued based upon the selection process.
- On motion of Chairperson Ferrer, seconded by Commissioner Ruby, it is unanimously ordered to approve hiring a consultant and signing a lease extension, based upon obtaining 3 bids and consultation with County Counsel.
- Staff to develop policies requiring multiply bids, and to review policies on nepotism, and recommend changes, if necessary.

6. Review Policy for Unsolicited Grant Requests

- Ms. Blinstrub presented the recommendation for the maximum grant award and annual cap for unsolicited grant requests. Commissioners agree on the dollar thresholds, however, Chairperson Ferrer directs staff to revise policy requiring grants to be limited to one-time, non-operational, emergency projects. It is requested that the process be forwarded to the Program Implementation and Communications Committee to revisit the existing policy.

7. Review Sponsorship Policy

- Ms. Blinstrub presented the recommendation not to sponsor events. Discussions ensued regarding a provision to allow flexibility to sponsor events if deemed necessary and beneficial to the Commission. Commissioners agree to a no sponsorship policy subject to further review; and direct staff to develop at the discretion of the Executive Director, clear definition, and criteria, which will be brought to the Program Implementation and Communications Committee. And finally to the full Commission for approval.

8. Discuss Assumptions for the 10 Year Financial Plan

- Ms. Riley, Fiscal Consultant, presents three different financial planning scenarios. The first scenario (Baseline Projection) identifies current obligated/committed funds of \$20.9 million and assumes the continuation of those grants for the next 10 years. The second scenario (Zero) calculates an average annual grant award of \$16 million over 10 years with an approximate ending fund balance of \$60 million. And finally scenario three (Complus) identifies the committed grants and adds an additional \$10 million per year.
- The following assumptions were agreed upon for a scenario presentation at the next Personnel and Finance Committee:
 - Assume a 6% revenue decline of Prop 10 funds
 - Utilize the Department of Finance birth rate data
 - Assume a 2.75% interest earning potential
 - Anticipate a 3.5% inflation rate for community grants

- Staff will recommend growth in administrative and program staffing based upon annual grant funding of \$20 million
 - Assume a \$30 million fund balance at the end of year-10
- Discussions ensued regarding establishing a separate account for the end of year-10 fund balance.

9. Determine Next Personnel and Finance Committee Meeting

- Chairperson Ferrer indicates the next meeting will be held at 10:00 a.m., Wednesday, March 27, 2002 at the office of CFFC.

10. Accept Referrals

- There are no referrals.

11. Announcements

- There are no announcements.

12. Adjourn

- The meeting is adjourned at 12:03 p.m.